

~~Top Secret~~

USSR-POLAND: Soviets Modify Aid

Polish Planning Commission Chairman Obodowski, after visiting Moscow early this month, announced that the Polish trade deficit with the USSR for 1983 will be the same as that originally agreed to for this year, 1.2 billion rubles. Moscow has agreed to permit the Poles to substitute machinery sales to the USSR for deliveries of food and consumer goods. The Soviets also have reduced the payment the Poles must make for some raw materials sent to Poland to replace Western materials. Meanwhile, Polish Vice Premier Madej says Poland's actual trade deficit with the USSR this year will be 1 billion rubles.

Comment: Moscow needs to conserve its hard currency and is refusing to extend large hard currency loans to Warsaw. It wants to assist the Polish economy, however, and is providing some additional important raw materials to Poland's industry. The reduction in Poland's trade deficit this year reflects cutbacks in machinery imports originally destined for Polish industrial projects that have been suspended.

~~Top Secret~~

543